



March 2, 2023

Dear Chair Moller and Members of the Public Safety Finance and Policy Committee,

I am writing on behalf of the League of Minnesota Cities, which represents 837 cities across the state, to share how the legalization of adult-use cannabis through HF 100 (Stephenson) will impact cities and local law enforcement.

Our comments related to adult-use cannabis fit into the broader discussion of local governments' role within the new regulatory structure established in the bill. Cities are well poised to be partners with the State in ensuring that adult-use cannabis is brought to our local communities responsibly. We appreciate the amendment that was added to HF 100 to allow local registrations and compliance checks; while this still leaves the licensing process entirely in the hands of the State, it creates an enforcement mechanism that will be essential for local governments to respond expeditiously in the event a cannabis business is failing to comply with the law or posing a public safety threat. However, there is still more work to be done to ensure that local governments are adequately equipped to respond to this new industry and the unique challenges it will bring to local communities.

As we have seen from other states and heard from local law enforcement, the legalization of adult-use cannabis will create new costs and increase the workload for law enforcement in many ways, including but not limited to the following:

- The illicit cannabis market will continue to be an ongoing challenge for local law enforcement. As we have seen in other states, the illicit cannabis market flourishes under a legal system because the product being sold is no longer illegal to possess. Combatting this organized crime will take significant resources from local law enforcement.
- The occurrences of individuals driving under the influence is expected to increase significantly. Currently, the majority of marijuana prosecutions are related to DUIs, not possession. These cases are costly and time consuming for local governments.
- Cannabis retailers and businesses can become targets for theft and other security concerns, in which local law enforcement will have to respond.
- Other states have struggled to mitigate "pop-up" cannabis markets and dealing with unlicensed retailers that attempt to conduct business in a local jurisdiction.
- The ability to home-cultivate cannabis is expected to create nuisance complaints, contribute to the illicit market, and in some instances create blighted properties. Illegal cultivation on public lands has also been a challenge for other states to mitigate.

We share these concerns, not in opposition to the legalization of adult-use cannabis, but in recognition that there will be significant impacts to local governments and local law enforcement with this new industry. Under this proposal, local governments would not receive any revenue to address these challenges, which would make Minnesota the only state that does not provide either taxing authority or revenue to local jurisdictions to respond to the challenges associated with legalized adult-use cannabis. Without equipping

local governments with resources to manage these new challenges, we are not setting our communities up for success in ensuring a safe and responsible roll-out of adult-use cannabis.

We appreciate the committee's consideration of our testimony and hope to continue working with Representative Stephenson to address these concerns.

Sincerely,

A handwritten signature in black ink that reads "Alex Hassel". The signature is written in a cursive style with a large, stylized initial "A".

Alex Hassel  
Intergovernmental Relations Representative